

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:1805
ANSWERED ON:25.07.2002
PETROL RETAIL POLICY
ADHIR RANJAN CHOWDHURY

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) Whether attention of the Government has been drawn to the news-item captioned 'APM gone, but where is petrol retail policy?' appearing in the Pioneer dated June 11, 2002;
- (b) if so, whether after the dismantling of APM, the oil companies are not having any clear cut retail pricing policy of petroleum products;
- (c) if so, the impact on consumers due to non-presence of retail policy; and
- (d) the time by which a clear cut retail pricing policy of petroleum products is likely to be announced?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS. (SHRI SANTOSH KUMAR GANGWAR)

(a): Yes, Sir.

(b) to (d): With the dismantling of the APM, the pricing of all petroleum products, except for PDS kerosene and domestic LPG, which continue to be subsidized products, has been decontrolled. The oil companies are fixing the price of petrol and diesel after taking into account the prevalent international oil prices. While, post APM, the normal fluctuations in the international oil market would get reflected in the domestic consumer prices, in the case of excessive volatility, the Government would make the appropriate duty adjustments to partially contain the impact of such volatility on the consumer prices. The Government reduced the excise duty rate by 2% on petrol and diesel effective 4th June 2002 to contain such impact on the price of these products.